



The Political Education and Action Committee of  
Alabama Farmers Federation

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June 14, 1995

Federal Election Commission  
Washington, D.C. 20463

Dear Mr. Davis:

In response to the Federal Election Commission letters we received on June 14, 1995, we are enclosing a copy of the letter along with the necessary correction applicable to the letter.

If you need further information, please contact our office.

Sincerely,

John H. Borrill, Jr.  
Treasurer



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

BQ-2

John H. Dorrill, Jr., Treasurer  
Elect-The Political Action  
Committee of the Alabama Farmers  
Federation  
P.O. Box 11023  
Montgomery, AL 36111

Identification Number: C00094573

Reference: 12 Day Pre-General Report (10/1/94-10/19/94)

Dear Mr. Dorrill:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your report discloses a loan received in the amount of \$50,000; however, Schedule C-1 has not been provided. Any political committee that receives a loan or line of credit from a lending institution must file Schedule C-1 with the first report in which the obligation is incurred and each time a loan or line of credit is restructured to change the terms of repayment or each time a draw is made on a line of credit. Please provide the omitted schedule. 11 CFR §104.3(d)(1)

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,

Kenneth A. Davis, Jr.  
Reports Analyst  
Reports Analysis Division

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**LOANS AND LINES OF CREDIT FROM LENDING INSTITUTIONS**

NAME OF COMMITTEE (IN FULL) ELECT - The Political Action Committee of The Alabama Farmers Federation		FEC IDENTIFICATION NUMBER C-00094573-83-0302	
FULL NAME, MAILING ADDRESS AND ZIP CODE OF LENDING INSTITUTION (LENDER) Compass Bank P. O. Box 295 Montgomery, AL 36101-0295		AMOUNT OF LOAN \$50,000.00	INTEREST RATE (APR) Prime
		DATE INCURRED OR ESTABLISHED 10-18-94	DATE DUE 1-1-96

A. Has loan been restructured?  No  Yes If yes, date originally incurred: \_\_\_\_\_

B. If line of credit, amount of this draw: \$50,000.00 ; total outstanding balance: \$50,000.00

C. Are other parties secondarily liable for the debt incurred?  
 No  Yes (Endorsers and guarantors must be reported on Schedule C.)

D. Are any of the following pledged as collateral for the loan: real estate, personal property, goods, negotiable instruments, certificates of deposit, chattel papers, stocks, accounts receivable, cash on deposit, or other similar traditional collateral?  
 No  Yes If yes, specify: \_\_\_\_\_

What is the value of this collateral? \_\_\_\_\_

Does the lender have a perfected security interest in it?  No  Yes

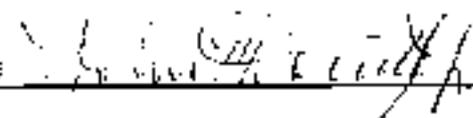
E. Are any future contributions or future receipts of interest income, pledged as collateral for the loan?

No  Yes If yes, specify: \_\_\_\_\_ What is the estimated value? \_\_\_\_\_

A depository account must be established pursuant to 11 CFR 100.7(b)(11)(i)(B) and 100.8(b)(12)(i)(B). Date account established: \_\_\_\_\_ Location of account: \_\_\_\_\_

F. If neither of the types of collateral described above was pledged for this loan, or if the amount pledged does not equal or exceed the loan amount, state the basis upon which this loan was made and the basis on which it assures repayment.

Promissory Note

G. COMMITTEE TREASURER	DATE
TYPED NAME John H. Dorritt, Jr. SIGNATURE 	6/14/95

H. Attach a signed copy of the loan agreement.

**I. TO BE SIGNED BY THE LENDING INSTITUTION:**

- I. To the best of this institution's knowledge, the terms of the loan and other information regarding the extension of the loan are accurate as stated above.
- II. The loan was made on terms and conditions (including interest rate) no more favorable at the time than those imposed for similar extensions of credit to other borrowers of comparable credit worthiness.
- III. This institution is aware of the requirement that a loan must be made on a basis which assures repayment, and has complied with the requirements set forth at 11 CFR 100.7(b)(11) and 100.8(b)(12) in making this loan.

AUTHORIZED REPRESENTATIVE Robert T. Hendrix TYPED NAME		TITLE Vice President	DATE 5-14-95
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1. Payment to Payor  
 FCP VALUE RECEIVED, interest, 21 1/2% day of November 19 94

"Borrower", whether one or more, shall pay to the order of COMPASS BANK, or its assignee, jointly and severally, the principal sum of FIFTY THOUSAND AND NO/100 Dollars \$ 50,000.00

2. Payment of Principal (2.1) Principal shall be paid as follows: (check one)  
 2.1 ( ) On demand  
 2.2 (X) After the date hereof, due on January 1 1996  
 2.3 ( ) Principal payments shall be made in consecutive installments of \$ each, commencing and a final installment equal to the total unpaid principal, interest and charges, due and payable in full on which date shall be the maturity date of this Note.  
 2.4 ( ) Principal and interest payments shall be made in consecutive installments of \$ each, commencing and a final installment equal to the total unpaid principal, interest and charges, due and payable in full on which date shall be the maturity date of this Note.

3. Interest. Payment of Interest.  
 Interest from date on the outstanding unpaid principal balance shall be calculated by multiplying the product of the principal amount and the applicable rate set forth herein by the actual number of days elapsed, and dividing by 360. "Compass Bank Prime", as used herein, is a reference rate established by the Bank for use in computing and adjusting interest, is subject to increase, decrease or change at the Bank's discretion, and is only one of the reference rates or indices used by the Bank. The Bank may lend to others at rates of interest at or greater or less than Compass Bank Prime or the rate provided herein. In no event shall the rate of interest calculated hereunder exceed the maximum amount allowed by law. Any principal amounts outstanding hereunder after maturity shall continue to bear interest at the rate, and calculated in the manner, set forth herein. The applicable rate hereunder shall be determined and paid as follows (check one):  
 3.1 ( ) The applicable rate shall be % interest shall be billed and paid  
 3.2 (X) The applicable rate shall be equal to percentage points above Compass Bank Prime from time to time prevailing at Bank. In no event shall the applicable rate exceed N/A % or be less than N/A %. Any change in said rate resulting from a change in Compass Bank Prime shall take effect immediately. Interest shall be billed and paid monthly.  
 3.3 ( ) The applicable rate shall be equal to percentage points above Compass Bank Prime from time to time prevailing at Bank. The applicable rate is subject to adjustment in accordance with the provisions of this Section 3.3 based on the formula set forth below, relating (i) the average net usable funds of the non-interest bearing deposit balances maintained during the preceding months ("Averaging Period") by Borrower with Bank to (ii) the Borrower's average outstanding loan balance during the Averaging Period (herein "Compensation"). The Averaging Period may not be the immediate preceding month period because of time needed for computational purposes. Any change in the applicable rate resulting from a change in Compass Bank Prime shall take effect immediately and shall be billed and paid.

As used herein, the term "net usable funds" shall mean the investable, collected funds held by Bank after deducting the reserves requirements imposed upon Bank and Bank's standard service charges and other actual charges incurred by Bank with respect to the account(s). Collected funds are determined and calculated based on the then current Federal Reserve Bank availability schedules, and, if not covered thereby, when actually collected. The average net usable funds shall be reviewed monthly, at which time the applicable rate will be adjusted in increments of 1/2 (50) percentage points, based on Compass Bank Prime on the last day of the Averaging Period pursuant to the following formula. No reduction shall be applicable when Compass Bank Prime on the last day of the Averaging Period is less than 5%.

Compass Bank Prime on the Last Day of the Averaging Period	Compensation Required To Reduce Applicable Rate by % Percentage Point	Compass Bank Prime on the Last Day of the Averaging Period	Compensation Required To Reduce Applicable Rate by % Percentage Point
3% to 5.5%	14%	12% to 12.5%	6%
5.5% to 6.5%	11%	12.5% to 13.5%	4.5%
6.5% to 7.5%	9%	13.5% to 14.5%	4%
7.5% to 8.5%	8%	14.5% to 15.5%	3.5%
8.5% to 9.5%	7%	15.5% to 16.5%	3%
9.5% to 10.5%	6%	Greater than 16%	

A minimum of \$ in average net usable funds is required to qualify for any reduction in the applicable rate. If the greater of (i) the minimum amount, or (ii) an amount of compensation sufficient to qualify for a 11.25 percentage point rate reduction has not been satisfied for any three (3) consecutive monthly review periods, the Bank shall have no further obligation to make such reviews, and the Borrower thereafter shall not be entitled to any reduction in the applicable rate.

Rate floor and ceiling  
 (a) ( ) In no event shall the applicable rate under this Section 3.3 exceed % or be less than %. If a minimum of \$ in average net usable funds is not maintained for three (3) consecutive monthly reviews, thereafter the provisions of paragraph (a) below shall apply in lieu of the provisions of this paragraph (a).  
 (b) ( ) In no event shall the applicable rate under this Section 3.3 exceed % or be less than the greater of percentage points Compass Bank Prime or %.

4. Security  
 (Check and complete applicable options) Borrower has given Bank:  
 4.1 ( ) title to and a security interest under the Uniform Commercial Code of Alabama or other state, as applicable, in the collateral described in the separate security agreements ("Security Agreement").  
 4.2 ( ) a mortgage on, or deed of trust, deed to secure debt, or other lien or interest in real property and improvements ("Mortgage").  
 4.3 ( )

The Security Agreement, Mortgage, loan agreements and any other Loan Document evidencing, securing or guaranteeing all or any part of the indebtedness hereunder are sometimes collectively referred to as "Loan Documents". The Note also may be secured by other property given to lender as collateral in other agreements from time to time arising between the Borrower and the Holder. Borrower acknowledges having read and understood the Holder's rights under such separate agreements. References to the Loan Documents and to such other agreements shall not affect or impair the absolute and unconditional obligation of the Borrower to pay the principal of and interest on the Note when due.

To the extent permitted by applicable law, Holder may, but shall not be required to, apply to or set off against any amount owed under the Note, without notice to Borrower, any funds, credit or property held by, in trust for or in possession of, Holder for the account of any Borrower.  
 5. Purpose of Loan  
 The purpose of the loan is Working capital - fund political contributions  
 The Borrower represents and warrants to the Bank that the transaction is exclusively for the business purposes of the Borrower.

6. Prepayment  
 Prepayments may result in an early maturity date. (check one)  
 ( ) This Note may be prepaid in whole or in part at any time without a prepayment charge.  
 This Note may be prepaid

Sections 7, 8, 9 & 10 appearing on the reverse side are a part of this Note.  
**CAUTION - IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.**

COMPASS BANK, Montgomery, AL 36101-0001 ELECT, A Political Action Committee  
 By: [Signature] Chairman  
 By: [Signature] Assistant Secretary/Treasurer  
 Form No. 17 12-0848 Rev. 11 90

7. Late Charges for Overdue Payments

Any scheduled payment of principal or principal plus interest in default ten (10) days or more will be subject to a late charge of five percent (5%) of such scheduled payment. The late charge shall not exceed \$100 for any late payment, except that such limitation shall be inapplicable if the Note is secured by real property. The late charge shall be charged only once for any late payment.

8. Defaults

Any one or more of the following events or conditions of Borrower which shall supervene and include any waiver, amendment, curative or guarantor heretofore shall constitute a default under this Note: (a) failure to pay when due or to perform or comply with any of the (i) obligations or provisions under the Note and any renewals, modifications, amendments and extensions thereof, (ii) obligations or provisions under any Loan Document, or (iii) other obligations and indebtedness of Borrower which under non-existing or hereafter issued or arising, direct or indirect, and however incurred or any party except collectively, the Indemnification; (b) if Holder deems itself insecure for any reason and Borrower fails to deposit additional collateral satisfactory to Holder upon the happening of any one or more of said events of default, Holder shall have the right of its election and without notice to Borrower to declare the full amount of principal, interest and charges under this Note and all other indebtedness of Borrower to Holder immediately due and payable with interest to date. No delay in making such election shall be construed as a waiver of the right to make such election in the event of the death or insolvency of Borrower, general assignment by judgment against Borrower, attachment or garnishment by or against, or the filing of application in any court for a receiver for Borrower, or seizure of or garnishment or attachment in a suit or action against any of the assets of Borrower, the full amount of principal, interest and charges under this Note and all other indebtedness of Borrower shall immediately become due and payable with interest to date, unless Holder shall, on notice of such event, elect to waive such acceleration by written notice in person. Upon any such acceleration, whether pursuant to or at the election of Holder, both principal and accrued interest shall bear interest from the accelerated date of maturity at the rate set forth in Section 2 above.

9. Waivers, Costs of Collection, Miscellaneous

Each Borrower to the extent not prohibited by applicable law or regulation, hereby severally (as witness as to its debt) or any renewal, modification, extension or reamendment of rights of collection under the Constitution of the State of Alabama or any other state as to real or personal property, real or personal, demands, presentment, protest, notice of dishonor, suit against any party and all other requirements necessary to hold Borrower liable hereunder; agrees that time of payment may be extended or renewed, notice taken or other indulgence granted without notice of or consent to such action and without release of liability to any Borrower, and it agrees to pay all costs of collecting or attempting to collect or secure this Note, including reasonable attorneys' fees. This Note shall be construed in accordance with the laws of the State of Alabama. If any provision of this Note is or becomes invalid or unenforceable, the remaining provisions shall not be affected thereby. Any change or modification to this Note must be in writing signed by both Holder and Borrower.

10. Execution

The undersigned have subscribed their names hereon without condition that anyone else should sign or become bound hereon and without any other condition whatever being made. The provisions hereof are binding on the heirs, executors, administrators, assigns and successors of each Borrower and shall inure to the benefit of them, their successors and assigns, and every subsequent Holder of this Note. Borrower acknowledges receipt of a completed copy hereof and of any other documents executed by Borrower before this transaction is consummated.

11) FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the undersigned (hereinafter called "Guarantors"), jointly and severally unconditionally guarantee and promise to pay to COMMERCE BANK (hereinafter called "Bank") or one of its branches...

12) The liability of Guarantors shall not exceed the sum of THREE HUNDRED FIFTY THOUSAND AND NO/100 Dollars (\$ 350,000.00) for principal, together with all interest upon the indebtedness or such part thereof as shall not exceed the foregoing limitation...

13) The obligations of the Guarantors hereunder are joint and several and independent of the obligations of Borrowers, and a separate action or actions may be brought and prosecuted against any one or more of the Guarantors whether or not a claim is brought against Borrowers or any other Guarantor...

14) A claim shall have priority over the obligation of Guarantors shall be and remain unaffected, (a) by the execution or non-execution, validity or invalidity, of any judgment, agreement or compromise, award, settlement, release, compromise, judgment, reference or otherwise change the time for payment of, or otherwise change the terms of, the indebtedness or any part thereof...

15) Each of the Guarantors authorizes Bank, without notice or demand and without affecting any Guarantor's security requirements, from time to time to set various, compromise, award, settlement, release, compromise, judgment, reference or otherwise change the time for payment of, or otherwise change the terms of, the indebtedness or any part thereof...

16) Each of the Guarantors waives any right to require Bank to proceed against any one or more of the Borrowers or Guarantors, (a) to arrest, seize, process or otherwise proceed against any security held from Borrowers; or (b) to pursue any other remedy by Bank's power whatsoever...

17) In addition to claims upon, and rights of setoff against, moneys, securities or other property of any one or more of the Guarantors held to Bank by law, Bank shall have and enjoy a perfected lien upon, security interest in, and a right of setoff against all moneys, securities and other property of each of the Guarantors now or hereafter in the possession of or on deposit with Bank...

18) Any indebtedness of any Borrower to any Guarantor, whether now existing, hereafter arising, secured or unsecured, and if secured, the security for same hereby is subordinated to the indebtedness, and such subordinated indebtedness of Bank as required, shall be satisfied, whether or not received, of such Guarantor as trustee for Bank and be paid over to Bank on account of the indebtedness but without reducing or affecting in any manner the liability of any Guarantor under this Guaranty.

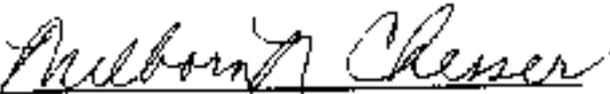


Alabama Farmers Federation  
Board of Directors Meeting  
September 26, 1994  
Page Two

Upon motion made by Mr. Newby and seconded by Mr. Morris, the following resolution was unanimously adopted:

RESOLVED, that the Alabama Farmers Federation does hereby guarantee a loan to ELECT (the political education and action committee of the Alabama Farmers Federation) in the amount of \$350,000.

There being no further business, the meeting was adjourned.

  
Milborn N. Chessey, Secretary



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20543

RQ-2

John H. Dorrill, Jr., Treasurer  
Elect-The Political Action  
Committee of the Alabama Farmers  
Federation  
P.O. Box 11023  
Montgomery, AL 36111

Identification Number: C00094573

Reference: 30 Day Post-General Report (10/20/94-11/28/94)

Dear Mr. Dorrill:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your report discloses a loan received in the amount of \$300,000; however, Schedule C-1 has not been provided. Any political committee that receives a loan or line of credit from a lending institution must file Schedule C-1 with the first report in which the obligation is incurred and each time a loan or line of credit is restructured to change the terms of repayment or each time a draw is made on a line of credit. Please provide the omitted schedule. 11 CFR §104.3(d)(1)

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,

Kenneth A. Davis, Jr.  
Reports Analyst  
Reports Analysis Division

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**LOANS AND LINES OF CREDIT FROM LENDING INSTITUTIONS**

NAME OF COMMITTEE (IN FULL) <u>ELECT - The Political Action Committee of The Alabama Farmers Federation</u>		FEC IDENTIFICATION NUMBER <u>C-00094573-83-0302</u>	
FULL NAME, MAILING ADDRESS AND ZIP CODE OF LENDING INSTITUTION (LENDER) <u>Compass Bank P. O. Box 295 Montgomery, AL 36101-0295</u>		AMOUNT OF LOAN <u>\$300,000.00</u>	INTEREST RATE (APR) <u>Prime</u>
		DATE INCURRED OR ESTABLISHED <u>10-24-94</u>	DATE DUE <u>1-1-96</u>

A. Has loan been restructured?  No  Yes If yes, date originally incurred: \_\_\_\_\_

B. If line of credit, amount of this draw: \$300,000.00 ; total outstanding balance: \$350,000.00

C. Are other parties secondarily liable for the debt incurred?  
 No  Yes (Endorsers and guarantors must be reported on Schedule C.)

D. Are any of the following pledged as collateral for the loan: real estate, personal property, goods, negotiable instruments, certificates of deposit, chattel papers, stocks, accounts receivable, cash on deposit, or other similar traditional collateral?  
 No  Yes If yes, specify: \_\_\_\_\_

What is the value of this collateral? \_\_\_\_\_

Does the lender have a perfected security interest in it?  No  Yes

E. Are any future contributions or future receipts of interest income, pledged as collateral for the loan?  
 No  Yes If yes, specify: \_\_\_\_\_ What is the estimated value? \_\_\_\_\_

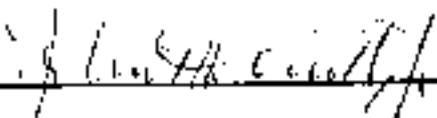
A depository account must be established pursuant to 11 CFR 100.7(b)(11)(i)(B) and 100.8(b)(12)(i)(B). Date account established: \_\_\_\_\_ Location of account: \_\_\_\_\_

F. If neither of the types of collateral described above was pledged for this loan, or if the amount pledged does not equal or exceed the loan amount, state the basis upon which this loan was made and the basis on which it assures repayment.

Promissory Note

G. COMMITTEE TREASURER

TYPED NAME John H. Dorrill, Jr.

SIGNATURE 

DATE

6/14/96

H. Attach a signed copy of the loan agreement.

I. TO BE SIGNED BY THE LENDING INSTITUTION:

I. To the best of this institution's knowledge, the terms of the loan and other information regarding the extension of the loan are accurate as stated above.

II. The loan was made on terms and conditions (including interest rate) no more favorable at the time than those imposed for similar extensions of credit to other borrowers of comparable credit worthiness.

III. This institution is aware of the requirement that a loan must be made on a basis which assures repayment, and has complied with the requirements set forth at 11 CFR 100.7(b)(11) and 100.8(b)(12) in making this loan.

AUTHORIZED REPRESENTATIVE

Robert T. Herdrix

TYPED NAME



SIGNATURE

TITLE

Vice President

DATE

6-14-96



PROMISSORY NOTE

Montgomery, AL 36104-0001
October 18, 2004

1. Promise to Pay
FOR VALUE RECEIVED, this the 18 day of October, 2004, the undersigned, jointly and severally, for themselves, their heirs, assigns, executors, administrators, personal representatives, successors and assigns, have promised to pay to the order of COMPASS BANK, a corporation organized under the laws of the State of Alabama, the principal sum of Three Hundred Thousand and no/100 Dollars \$ 300,000.00

2. Payment of Principal
2.1 On demand,
2.2 [X] 440 days after the date hereof, due on January 1, 2006

2.3 Principal payments shall be made in consecutive installments of \$ \_\_\_\_\_ each, commencing \_\_\_\_\_, and a final installment equal to the total unpaid principal, interest and charges, due and payable in full on \_\_\_\_\_, which date shall be the maturity date of this Note.

2.4 Principal and interest payments shall be made in consecutive installments of \$ \_\_\_\_\_ each, commencing \_\_\_\_\_, and a final installment equal to the total unpaid principal, interest and charges, due and payable in full on \_\_\_\_\_, which date shall be the maturity date of the Note.

3. Interest, Payment of Interest
Interest from date on the outstanding unpaid principal balance shall be calculated by multiplying the product of the principal amount and the applicable rate set forth herein by the actual number of days elapsed, and dividing by 360. 'Compass Bank Prime', as used herein, is a reference rate established by the Bank for use in computing and adjusting interest as subject to increases, decreases or change at the Bank's discretion, and is only one of the reference rates or indices that the Bank uses. The Bank may lend to others at rates of interest of, or greater or less than, Compass Bank Prime or the rate provided herein, in no event shall the rate of interest calculated hereunder exceed the maximum amount allowed by law. Any principal amounts outstanding hereunder after maturity shall continue to bear interest at the rate, and calculated in the manner, set forth herein. The applicable rate hereunder shall be determined and paid as follows (check one):

- 3.1 The applicable rate shall be \_\_\_\_\_ % interest shall be billed and paid
3.2 The applicable rate shall be equal to \_\_\_\_\_ percentage points above Compass Bank Prime from time to time prevailing at Bank in no event shall the applicable rate exceed N/A % or be less than N/A %. Any change in said rate resulting from a change in Compass Bank Prime shall take effect immediately. Interest shall be billed and paid Monthly, beginning November
3.3 The applicable rate shall be equal to \_\_\_\_\_ percentage points above Compass Bank Prime from time to time prevailing at Bank. The applicable rate is subject to adjustment in accordance with the provisions of this Section 3.3 based on the formula set forth below, based on the average net usable funds of the non-interest bearing deposit balances maintained during the preceding \_\_\_\_\_ month 'Averaging Period' by Borrower with Bank to (i) the Borrower's average outstanding loan balance during the Averaging Period (herein 'Competition'). The Averaging Period may not be the semester preceding \_\_\_\_\_ month period because of time needed for computational purposes. Any change in the applicable rate resulting from a change in Compass Bank Prime shall take effect \_\_\_\_\_ interest shall be billed and paid

Table with 4 columns: Compass Bank Prime on the Last Day of the Averaging Period, Competition Required To Reduce Applicable Rate by % Percentage Point, Compass Bank Prime on the Last Day of the Averaging Period, Competition Required To Reduce Applicable Rate by % Percentage Point

A minimum of \$ \_\_\_\_\_ in average net usable funds is required to qualify for any reduction to the applicable rate. If the greater of (i) the minimum amount, or (ii) an amount of competition sufficient to qualify for a 1/2 percentage point rate reduction has not been achieved for any three (3) consecutive monthly review periods, the Bank shall have no further obligation to adjust such review, and the Borrower thereafter shall not be entitled to any reduction to the applicable rate.

- (a) In no event shall the applicable rate under this Section 3.3 exceed \_\_\_\_\_ % or be less than \_\_\_\_\_ %. If a minimum of \$ \_\_\_\_\_ in average net usable funds is not maintained for three (3) consecutive monthly reviews, thereafter the provisions of paragraph (a) below shall apply in lieu of the provisions of this paragraph (a).
(b) In no event shall the applicable rate under this Section 3.3 exceed \_\_\_\_\_ % or be less than the greater of \_\_\_\_\_ percentage points \_\_\_\_\_ Compass Bank Prime or \_\_\_\_\_ %

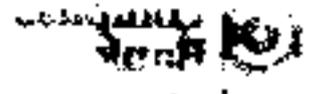
4. Security
4.1 The Borrower and complete applicable options, Borrower has given Bank title to and a security interest under the Uniform Commercial Code of Alabama or other state, as applicable, in the collateral described in the separate security agreement(s) ('Security Agreement').
4.2 a mortgage on or deed of trust, deed to secure debt, or other lien or interest in real property and improvements ('Mortgage')

5. Purpose of Loan
The purpose of the loan is Working capital - fund political contributions
The Borrower represents and warrants to the Bank that this transaction is exclusively for the business purposes of the Borrower

6. Prepayment
6.1 The Note may be prepaid in whole or in part at any time without a prepayment charge.
6.2 The Note may be prepaid \_\_\_\_\_

Sections 7, 8, 9 & 10 appearing on the reverse side are a part of this Note.
CAUTION - IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.
P. O. Box 11000, Montgomery, AL 36191-0001
ELECT, A Political Action Committee

By \_\_\_\_\_
Its \_\_\_\_\_



**7. Late Charges for Overdue Payments**

Any arrearage payment of principal or principal plus interest in default ten (10) days or more will be subject to a late charge of five percent (5%) of such scheduled payment. The late charge shall not exceed \$100 for any late payment, except that such limitation shall be unapplicable if this Note is secured by real property. The late charge shall be charged only once for any late payment.

**8. Default**

Any one or more of the following events or conditions of Borrower which shall occur and include any maker, endorser, surety or guarantor hereof shall constitute a default under this Note: (a) failure to pay when due or to perform or comply with any of the (i) obligations or provisions under this Note and any renewals, modifications, refinancings and extensions thereof, (ii) obligations or provisions under any Loan Document, or (iii) other obligations and indebtedness of Borrower to Holder now existing or hereafter incurred or arising, direct or indirect, and however incurred or any part thereof (collectively, the "Indebtedness" of Borrower); (b) Holder does itself insure for any reason and Borrower fails to deposit additional collateral satisfactory to Holder upon the happening of any one or more of said events of default; Holder shall have the right to election and without notice to Borrower to declare the full amount of principal, interest and charges under this Note and all other indebtedness of Borrower to Holder immediately due and payable with interest to date. No delay in making such election shall be construed as a waiver of the right to make such election. In the event of the death or insolvency of Borrower, general assignment by judgment against Borrower or personal bankruptcy by or against, or the filing of application in any court for receiver for Borrower or assignment of all or part of the assets of Borrower to a surety or action against any of the assets of Borrower, the full amount of principal, interest and charges under this Note and all other indebtedness of Borrower shall immediately become due and payable with interest to date, unless Holder shall, on notice of such event, elect to waive such acceleration by written notice hereon. Upon any such acceleration, whether automatic or at the election of holder, both principal and accrued interest shall bear interest from the accelerated date of maturity at the rate set forth in Section 3 above.

**9. Waivers, Costs of Collection, Miscellaneous**

Each Borrower, to the extent not prohibited by applicable law or regulation, hereby severally (a) waives as to this Note or any renewal, modification, extension or refinancing thereof all rights of exemption under the Constitution or laws of Alabama or any other state as to real or personal property; (b) waives demand, presentment, protest, notice of protest, notice of dishonor, suit against any party and all other requirements necessary to hold Borrower liable hereunder; (c) agrees that time of payment may be extended or renewal notes taken or other indulgence granted without notice or consent to such other and without release of liability as to any Borrower; and (d) agrees to pay all costs of collection or attempting to collect or secure this Note, including reasonable attorney's fees. This Note shall be construed in accordance with the laws of the State of Alabama. If any provision in this Note is or becomes invalid or unenforceable, the remaining provisions shall not be affected thereby. Any change or modification to this Note must be in writing signed by both Holder and Borrower.

**10. Execution**

The undersigned have subscribed their names hereto without condition that anyone else should sign or become bound hereon and without any other condition whatever being made. The provisions hereof are binding on the heirs, executors, administrators, assigns and successors of each Borrower and shall inure to the benefit of Bank, its successors and assigns, and every subsequent Holder of this Note. Borrower acknowledges receipt of a completed copy hereof and of any other instrument executed by Borrower before the transaction is consummated.





FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20543

RQ-2

John H. Dorrill, Jr., Treasurer  
Elect-The Political Action  
Committee of the Alabama Farmers  
Federation  
P.O. Box 11023  
Montgomery, AL 36111

Identification Number: C00094573

Reference: Year End Report (11/29/94-12/31/94)

Dear Mr. Dorrill:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your previous filing, the 30 Day Post-General Report, disclosed a \$300,000 loan from Compass Bank. This report, however, does not include a Schedule C to disclose the status of the loan, nor are there any loan repayments on Schedule B. Please provide a Schedule C to show the status of the loan and/or a Schedule B to show loan repayments. Loans must be continuously reported until they are repaid. 11 CFR §104.3(d)

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3500.

Sincerely,

Kenneth A. Davis, Jr.  
Reports Analyst  
Reports Analysis Division

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**LOANS**

Name of Committee (in Full)

**ELECT - The Political Action Committee of the Alabama Farmers Federation**

A. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
Compass Bank P. O. Box 295 Montgomery, AL 36101-0295			\$350,000.00

Election: Primary  General  Other (specify): \_\_\_\_\_  
 Terms: Date Incurred 10-18-94 Date Due 1-1-96 Interest Rate Prime (apr) Secured

List All Endorsers or Guarantors (if any) to Item A

1. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding:
Alabama Farmers Federation P. O. Box 11000 Montgomery, AL 36191-0001	N/A	N/A	\$ 350,000.00
2. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$
3. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$

B. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period

Election: Primary  General  Other (specify): \_\_\_\_\_  
 Terms: Date Incurred \_\_\_\_\_ Date Due \_\_\_\_\_ Interest Rate \_\_\_\_\_ % (apr) Secured

List All Endorsers or Guarantors (if any) to Item B

1. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding:
			\$
2. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$
3. Full Name, Mailing Address and ZIP Code	Name of Employer	Occupation	Amount Guaranteed Outstanding: \$

<b>SUBTOTALS</b> This Period This Page (optional) .....	\$350,000.00
<b>TOTALS</b> This Period (last page in this line only) .....	\$350,000.00

Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.

**Federal Election Commission**  
**ENVELOPE REPLACEMENT PAGE**  
**FOR INCOMING DOCUMENTS**

The Commission has added this page to the end of this filing to indicate how it was received.

<input type="checkbox"/> Hand Delivered	DATE OF RECEIPT
<input checked="" type="checkbox"/> First Class Mail	POSTMARKED <b>6-16-95</b>
<input type="checkbox"/> Registered/Certified Mail	POSTMARKED
<input type="checkbox"/> No Postmark	
<input type="checkbox"/> Postmark Illegible	
<input type="checkbox"/> Received from the House Office of Records and Registration	DATE OF RECEIPT
<input type="checkbox"/> Received from the Senate Office of Public Records	DATE OF RECEIPT
<input type="checkbox"/> Other (Specify):	POSTMARKED
	and/or DATE OF RECEIPT
 PREPARER	<b>6-20-95</b> DATE PREPARED